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**CHRONOLOGY OF INTERNATIONAL
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7-20 February 1952

AGREEMENTS:	ANGLO-FRENCH SOCIAL SECURITY	112
	ANGLO-INDIAN FINANCIAL (EXTENSION)	119
	IRAQI OIL	120
	U.K.-NEW ZEALAND MEAT	118
	FOUR-POWER, LONDON	118
CONFERENCES:	THREE-POWER FOREIGN MINISTERS, LONDON	118
	NORTH ATLANTIC COUNCIL	125
DISORDERS	BRITISH HONDURAS	119
AND	EGYPT	111-12, 127
DISPUTES:	INDO-CHINA	120
	KASHMIR	119, 121
	KOREA	121-3
	LIBYA	123-4
	MALAYA	124
	MOROCCO	124
	PERSIA	125
	TUNISIA	126-7
GOVERNMENT CHANGES:	LEBANON	123
NORTH ATLANTIC TREATY		119, 121, 125, 127
SPEECHES:	MR ACHESON TO THE NORTH ATLANTIC COUNCIL	125
	DR ADENAUER ON DEFENCE	115
	DR ADENAUER ON LONDON TALKS	116-17
	M. FAURE ON FRENCH ECONOMIC SITUATION	112
	HERR GROTEWOHL ON A GERMAN PEACE TREATY	116
	MR BEN GURION ON ISRAELI FINANCIAL MEASURES	120
	PRESIDENT PERÓN ON THE ARGENTINE ECONOMIC SITUATION	110
	M. SCHUMAN ON THE EUROPEAN ARMY	112-13
STATEMENTS:	DIRECTIVE TO HIGH COMMISSIONER, MALAYA	124
	N.A.T.O. REPORT ON A GERMAN DEFENCE CONTRIBUTION	116
	PRESIDENT TRUMAN'S REPORT ON DEFENCE	127
	STATEMENT ON ANGLO-IRISH FINANCIAL TALKS	119

ARGENTINA. 18 Feb.—President Perón called on the people in a broadcast to produce more and consume less. He announced that meat slaughtering on one day a week would be devoted entirely to export and would be banned on one other day a week. He also announced new buying prices for the 1952-3 staple crops to stimulate agricultural production. He attributed Argentina's need for austerity partly to Britain's 'unilateral action' in declaring the inconvertibility of sterling. He also blamed the discriminatory policy of the United States whereby Argentina was excluded from Marshall Aid. Other outside factors he mentioned included the increase in import prices, the scarcity of vital materials, hoarding by the United States, and the 'manoeuvres' of the International Materials Conference.

AUSTRALIA. 19 Feb.—Economic Policy. Dr Evatt, Opposition Leader, moved a vote of censure in the House declaring that the Government's economic and financial policy, especially the high taxation and drastic restriction of bank credit, was injuring industry and production and undermining full employment and the standard of living. In a defence of the Government's policy Mr Menzies, Prime Minister, emphasized the difficulties of the economic situation and pointed out that Dr Evatt had put forward no positive policy himself.

He said that heavy taxation was an inevitable concomitant of the welfare state and that the excessive supply of credit and the great demand for capital goods were basic factors in the prevailing inflation.

AUSTRIA. 13 Feb.—Danube Power Station. The Governments of Austria, Bavaria, and Federal Germany signed an agreement in Vienna providing for the erection of a power station on the Danube near Passau at an estimated cost of 160 m. marks, half of which would be paid by Austria.

BELGIUM. 12 Feb.—Government Defeat: Representation at King George's Funeral. The Social Christian Government was defeated by 91 votes to 84 with 1 abstention on a motion introduced by a Socialist deputy censuring the Government for the decision that King Baudouin should not attend the funeral of King George VI of Britain.

13 Feb.—Opposition members walked out of both the Senate and the Chamber of Representatives as a protest against the representation of Belgium at King George's funeral.

CHINA. 19 Feb.—Tibet. Peking Radio announced that a military area H.Q. had been set up in Lhasa under Gen. Chang Kuo-hua which would bring Tibetan armed forces under the control of the Central People's Republic.

CUBA. 13 Feb.—Following the murder, on the night of 12 February, of Senor Cossio Del Pino, owner of a wireless station and a former Minister, the Government dismissed the Chief of Police, Col. Alfonso, and replaced him by another army officer, Col. Consuegra.

CZECHOSLOVAKIA. 11 Feb.—Great Britain. *Rude Pravo* reported that the Government had protested in a Note to Britain against a conference of political refugees which took place in London from 21-24 January at which, it was alleged, the British Government had been represented despite the fact that it maintained normal relations with the Czechoslovak Republic. The Note declared that the British Government's attitude implied agreement with the programme announced by the conference—namely the liquidation of Czechoslovak independence and the restoration of capitalism.

EGYPT. 7 Feb.—Egyptian police sources in Ismailia said that police operations against the terrorists, begun on 5 February, had led to the arrest of more than 500 persons in the Canal Zone and to the discovery of large stocks of arms and ammunition.

9 Feb.—Gen. Erskine, G.O.C. British troops in Egypt, had an interview with Abdul Hadi Ghazali Bey, Governor of Port Said.

10 Feb.—It was learned that the Minister of the Interior had announced to the press a general relaxation of censorship rules.

11 Feb.—Gen. Erskine's H.Q. announced that all military road blocks and check points on the main Port Said-Ismailia-Suez road had been removed and that forty Egyptian police at Ismailia had been rearmed. The number of road oil tankers allowed to leave Suez daily for Cairo had been increased to 200.

12 Feb.—The British military authorities released fifty auxiliary policemen.

13 Feb.—King Farouk received the British Ambassador, Sir Ralph Stevenson.

Cairo Radio announced the Prime Minister's decision to create a new Territorial Army composed of 'youths who want to see Egypt's national aspirations achieved'.

15 Feb.—Great Britain. The Government issued the text of a Note to the British Embassy in reply to the British Note of protest of 6 February against the loss of British lives and property in the Cairo riots of 26 January. The Note rejected all accusations of official connivance in the riots, pointed to the proclamation of martial law on that day as evidence of the Government's determination to re-establish public order, and maintained that the British action against the auxiliary police on 25 January at Ismailia, by heightening national anger and inspiring national demonstrations, had increased the difficulties of maintaining public security. Information so far obtained had shown that the instigators of the troubles had wished to profit from these public manifestations and sow terror and devastation in the capital as part of their subversive plan of action.

Following the derailment of a train by mines six hours earlier at El Kap, six miles north of Kantara, Gen. Erskine ordered the reintroduction of road blocks on the Port Said-Ismailia highway and announced his intention of postponing further releases of auxiliary policemen.

16 Feb.—As a further measure, Gen. Erskine ordered the complete stoppage of all rail movement in the Canal Zone.

Egypt (continued)

Military cables were cut by terrorists in the Kantara area.

17 Feb.—In response to urgent Egyptian requests, Gen. Erskine relaxed the restrictions on rail movements in the Canal Zone and allowed the Egyptian Army to resume the dispatch of troops and supply trains to Sinai. Food trains from the Delta to the Canal Zone were also allowed to run.

Broadcasting from Cairo to the United States, the Prime Minister asked Americans to think of their own struggle for independence and to support Egypt's national claims.

18 Feb.—I.L.O. report on inquiry into Egyptian allegations against Britain of forced labour, etc. (see *United Nations, International Labour Organization*).

Cotton. The Government issued a series of orders permitting the cotton futures market to be freed from 1 May with the object of stimulating cotton exports.

20 Feb.—The British military authorities announced that all road and rail restrictions reimposed on 15 and 16 February would be lifted from 21 February and that the process of releasing auxiliary policemen would be resumed.

Later, as a result of an incident at Kubri, five miles north of Suez, Gen. Erskine's H.Q. announced that check posts would be reintroduced from 21 February between Suez and Kubri.

The Prime Minister announced a shortening of the curfew period by 2½ hours nightly as from 21 February.

FRANCE. 7 Feb.—M. Faure, Prime Minister, obtained a vote of confidence in the Assembly by a majority of 17. The opposition consisted of Gaullists, Communists, and about fifty deputies of the right and centre. About fifty others of the right and centre abstained. The motion was a purely technical one to give the Government's wage proposals priority of discussion but the Prime Minister turned the debate on to the economic situation. In an analysis of the position he said that the reserve of foreign currency had fallen from 332,000 m. francs on 31 March 1951 to 69,000 m. on 24 January, and only 30 per cent of dollar imports were being covered by exports. In addition to the import cuts and other measures already announced to meet the situation he added a cut from 50,000 to 30,000 francs in the foreign tourist allowance and also outlined a long-term economic programme which included simplification of the administrative system, more careful direction of credit, and fiscal reform. He insisted that the previous Government's programme for financial reform of the railways and social security system must be continued.

Anglo-French Social Security Agreement. An agreement supplementary to the original agreement of 25 October 1949 was signed in Paris.

8 Feb.—**European Defence Community.** M. Schuman, Foreign Minister, explained the Government's attitude towards the European Defence Community to a joint session of the Foreign Affairs and

National Defence Committees. He maintained that the E.D.C. was the only solution which made it possible, without grave danger, to treat German participation in defence without discrimination, and he argued that unless the principle of no discrimination were accepted the Federal Parliament's consent to a defence contribution would not be obtained. He also emphasized that the United States would insist on German participation in some other form if the European Army were not created, as all military experts were agreed that German participation was essential to adequate defence. He pointed out that the western Powers would be unlikely to accept the heavy economic and financial burdens of rearmament while leaving Germany alone free to raise her standard of living and improve her position in world markets. In reply to a question about the admission of Germany to N.A.T.O., he said he believed it would be impossible for the Atlantic Pact to retain its purely defensive character if one of its members had territorial claims against a non-member.

11 Feb.—European Defence Community. M. Schuman opened a three-day debate in the Assembly on the European Army. His main arguments were that the Army was an immediate practical solution to the American demand for the inclusion of German troops in West European defence and that other alternatives were far more dangerous. He asked, for example, what could be worse than to see Germany take France's place in Europe or for their allies to abandon their strategic plans based on the continent. He also pointed out that in the European Army all general staffs and all auxiliary forces were to be in common and that such an army could not serve any single national Government or one national policy. He suggested that the rupture of treaty obligations binding members of the European Defence Community might be considered as similar to an act of aggression or be classified as such grave circumstances as required action under the Atlantic Pact. He repeated his argument that if Germany, with her claims extending eastwards, were to join the Atlantic Pact it would give N.A.T.O. an aggressive character in Russian eyes. In regard to the Saar, he restated France's readiness to negotiate an agreement before the peace treaty and said that the raising of French representation to the dignity of a diplomatic mission did not in any way alter the Saar's juridical status.

M. Daladier, former Premier, maintained that the European Army would be ineffectual in the face of a Soviet attack. He urged France to launch a direct appeal to Russia for a disarmament conference.

12 Feb.—M. Moch, Socialist, objected to the proposed treaty for the European Army on the grounds that it gave greater scope for military organization for the Germans than had been originally intended. He also deplored the non-participation of Britain and the prospect of having no purely national army in France. He thought the result of the treaty would be the re-creation of a German army of twelve divisions without the essential guarantees. He was also apprehensive lest the scheme might ruin any hopes attached to the Disarmament Commission.

The Government was defeated by 324 to 294 votes on a procedural question regarding the debate of Budget questions.

France (continued)

A one-day general strike called by the Communist party as a protest against a ban on a Communist demonstration was ignored by the non-Communist unions and only partially observed in many traditionally Communist industries, such as the steel mills, railways, and mines.

13 Feb.—European Defence Community. The debate on the European Army was continued in the Assembly. Six different motions had been tabled, each expressing anxiety over the possibility of a revival of German militarism and laying down conditions under which European Army talks could proceed. The Socialist motion maintained opposition to German entry into N.A.T.O., called for a reduction in the size of national contingents, and insisted on a renewal of negotiations with Britain, without whose guarantee, it stated, the plan would lack an effective guarantee.

M. Faure, Prime Minister, declared that the issue was the creation of a united Europe. The Government would not break with the policy of its predecessors and it was essential to have as wide a majority of support as possible. A battle on conflicting motions was unthinkable. In regard to British participation he said that Britain would participate only in something which already existed, and replying to those who urged an appeal for peace before making a decision on the European Army, he maintained that the defence effort and the appeal must be simultaneous.

The Socialist motion was rejected by 384 votes to 240, Gaullists and Communists voting in favour. The Communist and Gaullist motions were also rejected, each receiving only its own party's support.

14 Feb.—Following the refusal of the Socialists, by 27 votes to 25, at a meeting of their parliamentary group, to abandon the text of their motion, M. Faure tabled a motion of confidence on the European Army. The main provisions of the motion, which was drafted to meet Socialist views as far as possible, were: (1) that the sharing of defence burdens between member States should take into account French sacrifices in Indo-China; (2) that the treaty setting up the Defence Community should bear British and American guarantees against possible violation; (3) that the French contingents in Europe be equal at all times to those of any other member; (4) that the integration of national units be achieved at 'the lowest possible level'. The motion also called on the Government to make every effort to secure British participation and to ensure that the creation of a common defence budget should not be subject to the right of veto.

16 Feb.—After a day of negotiations to secure Socialist support, M. Faure, submitted to the Assembly a new resolution containing the following additional points: (1) no recruiting of German contingents to take place before ratification of the treaty setting up the European Defence Community; (2) no State having territorial claims to be eligible for membership of N.A.T.O.; (3) the appendices to the treaty to provide for the progressive integration of existing national armies.

19 Feb.—The Assembly approved the compromise resolution by 327 votes to 287. Twenty Socialists (including M. Moch and M.

Mayer), 10 Radical, and 6 M.R.P. were included among those who opposed it. M. Mollet, Socialist leader, in announcing his party's decision to support the motion said they regarded its recommendations as conditions.

Statements on tripartite and four-Power talks in London (*see Great Britain*).

The *Journal Officiel* published a decree suspending all trade liberalization measures and reimposing quota restrictions on imports.

GERMANY. 7 Feb.—West Germany: Defence. During a debate on defence in the *Bundestag*, Dr Adenauer, Federal Chancellor, warned the House of the strength and aggressive intentions of Russia and defended the system of agreements in process of negotiation with the western Powers. He emphasized that they provided for reunion with eastern Germany by peaceful means and pointed out that the preamble to the general treaty declared it to be the common aim of the signatory States that the Federal Republic should be incorporated into the European community on the basis of equality of rights and 'for its part the European defence community is to be integrated with the developing Atlantic community'. He believed that the admission of the Federal Republic to N.A.T.O. was certain in the long run and appropriate as soon as German participation in the European Army had been agreed. In regard to the Saar he said that M. Schuman had given him a personal assurance that the final settlement in the Saar would not be prejudiced in any way, and he emphasized that what the Germans demanded was that democratic freedom in the Saar should be guaranteed. Herr Ollenhauer, speaking for the Social Democrats, challenged the right of the existing *Bundestag* to decide on defence, saying that it no longer corresponded with the will of the people.

8 Feb.—The *Bundestag* carried by 204 votes to 156 with 6 abstentions a Government resolution which pledged a German defence contribution to the European Defence Community on condition that Germany was accepted in the Community as a sovereign and equal partner. It also passed other resolutions demanding *inter alia*: (1) that the eventual settlement of the Saar problem should not be prejudiced by prior unilateral action; (2) that west Germany should not be asked to bear a heavier financial defence burden than other nations contributing to western defence; (3) that all war criminals who had not been proved to have committed crimes individually and on their own initiative should be released; (4) the removal of all restrictions on German industry.

10 Feb.—The Federal Chancellor, speaking at Freiburg, said that the defence debate in the *Bundestag* had filled him with anxiety about democracy in Germany and he condemned the Social Democrats for putting party, before national, interests.

Western Defence. A special conference of trade union delegates at Munich, representing 900,000 members, rejected unanimously a German contribution to defence and called on the executive committee of the national federation to take all steps, including a general strike, to prevent it.

Germany (continued)

13 Feb.—East Germany. Anti-allied demonstrations were staged in east Germany on the occasion of the seventh anniversary of the allied bombing of Dresden. Speeches were made by Herr Ulbricht at Dresden and by Herr Grotewohl, the Premier, at Dessau.

West Germany. Dr Schäffer, Finance Minister, declared in Parliament that money spent on support of Berlin should be reckoned as part of the German contribution to western defence.

Agreement with Austria and Bavaria for the erection of a power station on the Danube (*see Austria*).

14 Feb.—East Germany. The east German Government sent a letter to the four occupying Powers proposing the initiation of talks on a German peace treaty. A letter to the west German Government expressed the hope that it would associate itself with the request.

Addressing the press in east Berlin, Herr Grotewohl, Premier, said that a unified democratic Germany would not be a threat to France, that the best way of securing a peaceful Germany was by demilitarization and 'denazification', and that full agreement between the great Powers was preferable to the Schuman Plan which he declared would be a burden to all, especially France. He admitted that the appeal to the four Powers was designed to frustrate the west German progress towards a military pact. In reply to a question, he said that it was immaterial whether a peace treaty or elections came first and there were no indispensable prerequisites for a treaty.

17 Feb.—West Germany. Speaking in Berlin, Herr Blücher, Deputy Chancellor and leader of the Free Democratic Party, described the east German appeal for a peace treaty as 'stuff and nonsense'. He underlined the fact that no mention had been made of what part the Germans should play in negotiating the treaty and emphasized that free and universal elections must come first. He gave an assurance that the Federal Government were not immersed in western negotiations at the expense of German unity.

19 Feb.—West Germany. European Defence Community. The allied High Commission issued the report of the executive bureau ('the three wise men') of the Temporary Council Committee of N.A.T.O. on a German defence contribution. The report recommended a contribution of 11,250 m. marks in the financial year 1952-3 beginning 1 July. This sum did not include the 1,300 m. for Berlin which the Federal Government had urged should be included in the total figure. The report stated that the burden of Berlin had been taken into account but most of the budgetary and other support given to Berlin could not be defined as defence expenditures. A table attached to the report showed that the 11,250 m. marks represented an estimated 10.5 per cent of Germany's gross national product, compared with a corresponding ratio in the United States of 17.6 per cent, in Britain of 12.8 per cent, and in France of 11 per cent.

Statements on tripartite and four-Power talks in London (*see Great Britain*).

20 Feb.—Four-Power London Talks. Dr Adenauer told a press

conference that he was satisfied that the equality of rights for Germany achieved at the London talks met the desires of the coalition parties in the Bundestag. He said that the cases of war criminals would be reviewed by a board consisting of one representative each of the United States, France, and Britain and three German representatives. Although the board's recommendations decided on by a majority vote would not be binding on the Power concerned, it was to be assumed that they would be followed. Unanimous recommendations would be binding. Replying to French objections to the admission of the Federal Republic to N.A.T.O., Dr Adenauer said that the reunification of Germany would be sought only by peaceful means. He was convinced that Russia would try to negotiate as soon as she saw she could get no further by the 'cold war'. He announced that it had been decided by the Foreign Ministers to have common sessions of the N.A.T.O. and European Defence Community councils whenever questions affecting the E.D.C. were discussed. He also revealed that German economy, science, and research would be free, but said that Germany was not in a position, and did not wish, to manufacture atomic, bacteriological, or 'V' weapons.

The executive committee of the Social Democratic party made a statement dismissing the results of the London conference as wholly unsatisfactory, and Dr Schumacher, leader of the party, said in a broadcast that the gulf between the party and the Government had never been wider.

East Germany: U.S.S.R. The Soviet reply to the East German letter of 14 February was received by Herr Grotewohl. It stated that Russia would do everything possible to hasten a treaty and the restoration of German unity and added that German participation in the negotiation of a treaty was necessary, that the treaty should conform to the Potsdam decisions, and that it should be negotiated immediately.

GREAT BRITAIN. 7 Feb.—The new Queen Elizabeth and the Duke of Edinburgh arrived back in London from Kenya.

Supplementary Anglo-French social security agreement (*see France*).

8 Feb.—The Queen made her Accession Declaration at her first Privy Council, and her accession as Queen Elizabeth II was publicly proclaimed throughout Britain and in many parts of the Empire.

11 Feb.—Czechoslovak protest against conference of political refugees (*see Czechoslovakia*).

12 Feb.—U.S. offer of atom bomb testing sites declined (*see United States*).

13 Feb.—Mr Acheson, U.S. Secretary of State, arrived in London and saw Mr Eden, Foreign Secretary.

Extension of financial agreement with India (*see India*).

Egypt. Mr Eden had a discussion on Anglo-Egyptian relations with Amr Pasha, the recently recalled Egyptian Ambassador, who was in London for the King's funeral.

Budget. Supplementary estimates totalling £121,043,260 were presented to meet additional expenditure in the current financial year.

Great Britain (continued)

15 Feb.—The funeral of King George VI took place at Windsor after a State procession through London. Among the representatives of foreign States who attended were: the Kings of Norway, Sweden, Denmark, Greece, Iraq; the Queen of the Netherlands; the Grand Duchess of Luxembourg; the Presidents of the French, Turkish, and Yugoslav Republics; the Prince of Liège (brother of King Baudouin of Belgium); the U.S. Secretary of State; the President of the Italian Chamber; and the Chancellor of the West German Federal Republic.

Egyptian Note *re* Cairo riots (*see Egypt*).

16 Feb.—Dr Adenauer, Federal German Chancellor, had an interview with Mr Eden.

New Zealand: Meat Agreement. The Ministry of Food announced the conclusion of a meat agreement with New Zealand under which the United Kingdom undertook to buy, or permit to be sold in the U.K. market, without restriction of quantity, New Zealand's exportable surplus of meat for fifteen years from 1 October 1952.

Atomic Weapons. It was announced from 10 Downing Street that a British atomic weapon would be tested in Australia during the year.

18 Feb.—I.L.O. report on inquiry into Egyptian allegations against Britain of forced labour, etc. (*see United Nations, International Labour Organization*).

19 Feb.—**Tripartite Talks.** On the conclusion of talks held on 17, 18, and 19 February between the Foreign Ministers of Britain, France, and the United States a communiqué was issued which re-affirmed the 'abiding interest' of the U.S. and British Foreign Ministers in the establishment and integrity of the European Defence Community and the decision of their Governments to maintain armed forces in Europe to contribute to joint defence in association with the European Defence forces. It stated that the means of giving the Community the desired support and co-operation would be the subject of continuing consultation between the three Ministers and their Governments.

Four-Power Talks. A second communiqué on talks held on 18 and 19 February between the three Foreign Ministers and Dr Adenauer, Chancellor of the German Federal Republic, said that the parallel negotiations in Paris and Bonn for the establishment of a European Defence Community and for a new contractual relationship between the western Powers and the Federal Republic had been reviewed. A series of meetings on the question of arms production in the States of the European Defence Community had been provided for, and agreement had been reached on methods of dealing with war criminals. The report of the Temporary Council Committee of N.A.T.O. on the German financial contribution to western defence (*see under Germany*) had been considered and there was every prospect of early agreement on the subject. The four Ministers had also decided on recommendations to be made to the North Atlantic Council in regard to the relationship between the European Defence Community and N.A.T.O. It was agreed that continuing efforts should be made to accomplish the unification of Germany by peaceful means.

Ireland. The Treasury issued a statement on the conclusion of discussions in London between U.K. Ministers and the Irish Ministers for Finance and Industry on the sterling area's balance of payments position. The Irish Ministers had expressed their Government's appreciation of the importance of improving the status of sterling as an international medium of exchange and had referred to their Government's statements of policy expressing concern at the extent of the deficit in the Irish Republic's balance of payments and their intention to ensure that the Republic's external resources would be used only to improve living standards permanently by promoting an increase in domestic capital development. They also referred to a possible solution of the balance of payments position by increasing supplies from sterling sources. The U.K. Ministers gave an assurance of their intention to supply the full amount of solid fuel specified in the 1948 trade agreement.

Note to Guatemala *re* British Honduras (see *Guatemala*).

GREECE. 18 Feb.—N.A.T.O. The Bill to ratify Greece's accession to the North Atlantic Treaty was approved by Parliament. Eight members of the extreme left opposed it.

GUATEMALA. 19 Feb.—Great Britain: British Honduras. A Note was received from Britain in reply to a Guatemalan Note of 23 October in which credence had been given to abusive allegations by the People's United Party of British Honduras against British policy. The British Note reaffirmed British willingness to submit the dispute to the International Court and urged the Guatemalan Government to adopt such a procedure. It also reminded the Guatemalan Government that a proposal for federation was before the British Honduras legislature which would have 'the freedom permitted by all democratic forms of government to accept or reject it'.

HUNGARY. 19 Feb.—Nationalization. A Government decree was issued ordering the nationalization of all privately-owned tenement houses, apartment and office buildings, storehouses, and some family residences. The decree exempted the houses of small tradesmen, craftsmen, working peasants and kulaks, but included all real estate owned by foreigners.

INDIA. 12 Feb.—Kashmir. Mr Nehru, Prime Minister, said in Parliament that the Government did not intend to impose any solution of the Kashmir problem by bayonet or gun. He declared: 'It is the people who will decide'.

13 Feb.—Great Britain: Sterling Balances Agreement. The Finance Minister informed Parliament of an exchange of letters made the previous week between the British Chancellor of the Exchequer and himself, extending the financial agreement which expired on 30 June 1951 until 30 June 1957 by which date the balances in India's No. 2 account would be eliminated. The letters confirmed the agreements of December 1950 and October 1951.

India (*continued*)

14 Feb.—The Thakur Saheb of Dhrol was arrested in Bombay for alleged complicity in bandit activity in the Saurashtra Union. Others arrested were Prince Fateh Sinhji of Limbdi, Prince Kalika Parshad, younger brother of the Maharaja of Morvi, and Thakur Chandrasinhji of Bhadva. (Prince Nirmal Kumar of Bhavnagar had been arrested on the same charge some days previously.) The Saurashtra Government alleged that those arrested were engaged in a conspiracy to bring the State Government into disrepute by the murder of innocent villagers at the hands of a Bhupat gang.

INDO-CHINA. 10 Feb.—Gen. Salan, French C.-in-C., told the press that Viet-Minh losses in their offensive against Hoa-Binh in Tongking since early December 1951 had totalled 33,000 of which 11,000 were killed. French Union losses had been 5,135 of which 418 were certainly killed. He considered that the enemy's losses had greatly weakened their strength and he declared that Communism in Cochinchina was moribund. He said that his own troops had retained their dash and morale.

18 Feb.—French H.Q. announced that for the second time within a month Viet-Minh rebels had wiped out a French commando unit in the Tonking delta. The unit had been betrayed by a Viet-Nameese who deserted to the rebels.

IRAQ. 7 Feb.—**Oil Agreement.** The Government signed an agreement with the Iraq Petroleum Company under which profits would be shared equally between the two parties.

14 Feb.—The Chamber of Deputies ratified the oil agreement by 89 votes to 7.

17 Feb.—The Senate ratified the oil agreement.

18 Feb.—The oil agreement received the King's assent.

IRELAND. 19 Feb.—Statement on U.K.-Irish financial talks (*see Great Britain*).

ISRAEL. 13 Feb.—Mr Ben Gurion, Prime Minister, announced in the Knesset a partial devaluation of the Israeli pound by the introduction of three different exchange rates and also new measures to curb inflation and to encourage investments and exports. The new rates for the pound were: \$2.80 for the purchase of vital foodstuffs such as bread; \$1.40 for various commodities such as meat, fish, coffee, tea, medicinal necessities, fertilizers, and seeds, and also for tourists, diplomatic representatives, and revenue from Jewish appeal funds; \$1 for investors. Mr Ben Gurion said the budget for the next fiscal year would at all costs be balanced. Economy measures would result in the dismissal of 1,000 civil servants, methods of tax collection would be improved, and no new Treasury notes or land bonds would be issued.

20 Feb.—The Knesset approved the Government's new economic programme by 55 votes to 44.

ITALY. 8 Feb.—U.S.S.R. The Italian Government sent a Note of protest to Russia against the repeated use by her of the veto in the Security Council to obstruct Italy's admission to the United Nations (the most recent application on 6 February was the fifth). It declared this obstruction to be a violation of Soviet undertakings in the peace treaty to support Italy's admission, and implied a reciprocal policy on Italy's part in regard to any remaining peace treaty obligations to Russia.

15 Feb.—N.A.T.O. The Senate approved the Bill, already passed by the Chamber, endorsing the admission of Greece and Turkey to the Atlantic Pact.

JAPAN. 12 Feb.—U.S.S.R. Gen. Ridgway, Supreme Allied Commander, handed the Russian member of the Allied Council a request that Russia should 'cease forthwith' all seizures of Japanese fishing boats off northern Japan and release boats detained. It was stated that Russian forces occupying Hokkaido had seized 178 vessels since the occupation.

16 Feb.—Great Britain. The Finance Minister announced new foreign exchange regulations designed to restrict exports to sterling areas and increase imports. (The measures which would become effective on 18 February, were stated to be the outcome of official concern at the rapid accumulation of a sterling balance amounting to about £85 m.)

JORDAN. 16 Feb.—Arab League. The Government signed the Arab League Collective Security and Economic Aid pact.

20 Feb.—Communism. Four Arabs accused of printing and spreading Communist propaganda were sentenced by a district court to prison terms ranging from six to ten years' hard labour.

KASHMIR. 10 Feb.—Reports reaching Delhi stated that riots had taken place in Jammu over the preceding two days following the fining of two students who had taken part in demonstrations against the flying of the National Conference flag alongside the State flag, that of the Maharaja. The police had opened fire on students who had stormed a Government building, damaging property, and twelve persons had been injured. A three-day curfew had been imposed.

Sheikh Abdullah's Government announced the arrest of the President and two prominent members of the communal Hindu body, Praja Parishad (for long opposed to the, predominantly Muslim, National Conference) which, according to the deputy Chief Minister, had engineered the demonstrations.

KOREA. 9 Feb.—At a plenary session of the truce delegations the U.N. delegates suggested three modifications of the Communist proposals of 6 February for a post-armistice conference. These were: that the South Korean Republic should be represented; that 'non-Korean' be submitted for 'foreign' in the description of troops to be withdrawn; and that the last item on the Communist agenda—'other questions related to the peace in Korea'—should be replaced by 'other Korean questions related to peace'.

Korea (continued)

The South Korean Government announced that it viewed with great concern the continuing concessions the U.N. delegates were making at Panmunjom. It protested against joint allied-Communist control of the Han River mouth, describing it as 'a grave threat to the security of Seoul and the whole of South Korea'.

Allied infantrymen beat off an attack on the central front.

11 Feb.—Admiral Joy informed the Communists at the truce talks that the United Nations would refuse to take any further action under the final item on the truce agenda (recommendations to Governments concerning a final settlement in Korea) if the Communists insisted on broadening the agenda for the proposed peace conference to include other Asian problems.

Ground action was confined to probing attacks and patrol encounters.

12 Feb.—At a staff officers' meeting the Communists offered to agree to a rotation of 30,000 troops a month and to increase the number of ports for the entry of troops under neutral inspection to four.

An attack by over 400 Communist troops on the eastern front was repelled by mortar and artillery fire.

Eighth Army H.Q. estimated enemy casualties for the first week of February as 2,270.

13 Feb.—The U.N. delegates accepted a Communist proposal that the exchange of prisoners be completed within sixty days after the signing of an armistice. They also said that if the Communists would agree to a rotation of 40,000 troops a month they would drop their demands for weekly reports on the location of major units and for a ban on the shifting of troops during a truce in such a way as to constitute a threat of attack. They proposed a half-way compromise between the U.N. demand for seven ports of entry for troop movements under neutral supervision and the Communist offer of four ports.

Another Communist attack on the eastern front by 200 troops was repulsed.

Huh Chung, acting Prime Minister of South Korea, said at Pusan that he regretted the many compromises made by the United Nations at the truce talks and declared that his Government would not accept an armistice unless it satisfied the following conditions: the withdrawal of Chinese forces from Korea; the disarmament of the North Korean army; full South Korean representation in any international discussions involving Korea; preservation of the South Korean Republic's sovereignty; and no aid, material or spiritual, to the Communist regime in Korea.

14 Feb.—The Communists presented a new plan for the exchange of prisoners. It maintained their opposition to voluntary repatriation but agreed to the U.N. demand that the functions of Red Cross teams be specified in the armistice agreement.

At the meeting of staff officers on truce supervision the Communists demanded that neutral observers be allowed to inspect 'secret weapons' behind both lines during an armistice. The U.N. delegates rejected the demand as unnecessary for effective policing of a truce.

Another attack on the eastern front by over 1,000 Communist troops was repelled by artillery and mortar fire.

16 Feb.—The Communists put forward a revised proposal for a political conference to follow the signing of the armistice according to which the two sides would 'respectively' appoint the conference representatives and the conference would discuss the withdrawal of troops and the 'peaceful settlement of the Korean question, et cetera'.

The Communists proposed Poland, Russia, and Czechoslovakia as neutral nations who would appoint representatives to supervise the execution of the armistice terms. The U.N. delegates accepted Poland and Czechoslovakia but rejected Russia.

17 Feb.—The U.N. delegates accepted the revised Communist proposal for a conference on the condition that in no event would any but strictly Korean questions be discussed.

18 Feb.—The Communist delegation at the truce talks challenged the right of the United Nations to veto their choice of Russia as one of the neutral supervisors of an armistice and asked for reconsideration of their decision.

Gen. Van Fleet, 8th Army Commander, said in an interview that he thought the Asian friends of the United States should be allowed to 'build and use' their own armies in the struggle for peace and freedom since the United States could not be expected to carry the entire load. He added that he was already building up the South Korean army in anticipation of the day when it would take over exclusive responsibility for the nation's security.

19 Feb.—The Communists having accepted the U.N. conditions of 16 February, both delegations agreed to recommend to their Governments that a political conference be held within ninety days of the signing of an armistice at which 'the withdrawal of all foreign forces from Korea and the peaceful settlement of the Korean question, etc.' would be discussed.

Small-scale fighting continued on the eastern front.

20 Feb.—The U.N. delegation repeated that they would not accept Russia as a neutral supervisor of an armistice and said that Communist insistence on Russia's nomination was a violation of the agreement that neutral inspection teams must be acceptable to both sides.

LEBANON. 8 Feb.—Government Resignation. The Abdullah Yafi Ministry resigned for reasons connected with the parliamentary majority.

LIBYA. 19 Feb.—Election. Polling took place in Libya's first general election. An incident in Misurata which occasioned the use of tear gas by the police resulted in one Arab being killed and a British police officer being wounded. Incidents were also reported from two or three other places in Tripolitania.

20 Feb.—Two Arabs were killed and another died of wounds when the police returned fire on a crowd at Castel Benito. Disorders occurred also at Sirte and a village near Tripoli. Curfews were imposed at

Libya (continued)

Misurata and Homs. Government officials maintained that the agitation was part of a general plan to make trouble on the part of the Egyptian-inspired Congress Party.

MALAYA. 7 Feb.—Gen. Templer, the new High Commissioner, arrived in Kuala Lumpur with Mr MacGillivray, the newly-appointed Deputy High Commissioner. After being sworn in, Gen. Templer made known his directive from the Colonial Secretary. This declared that the British Government's ultimate aim was a fully self-governing Malaya, which it was confidently hoped would remain within the British Commonwealth. To achieve this objective there must be a common form of citizenship and the Malays must be encouraged and helped to play a full part in the country's economic life so as to redress the existing uneven economic balance. Because political advancement and economic development were being retarded by Communist terrorism, Gen. Templer's primary task would be the restoration of law and order. The directive reaffirmed that the British Government would not lay aside their responsibilities until terrorism had been defeated and a partnership of all communities re-established.

9 Feb.—Troops were parachuted into the jungle for the first time to take part in operations against terrorists in Perak, twenty miles south of the Siamese border. Ground forces which advanced to their support were held up by a strong force of Communists entrenched behind a river. Siamese police co-operated with the security forces by holding the frontier.

11 Feb.—The Communists were reported to have abandoned their positions on the river and to have disappeared into the jungle.

14 Feb.—Dato Onn Bin Ja'afar, leader of the Independence Malaya Party, said in a speech at Kuala Lumpur, that he hoped that when Malaya became independent it would opt to remain a member of the British Commonwealth.

17 Feb.—The results of the Kuala Lumpur municipal election—the first to be contested by political parties—were as follows: communal alliance of the Malayan Chinese Association and the United Malays' National Organization, 12 seats; Independence Malaya Party, 2 seats; Independent, 1 seat.

20 Feb.—**Emergency Casualties.** Casualty figures up to the end of January 1952 were announced as follows: Communists—2,778 killed, 1,396 wounded, 1,553 captured or surrendered; civilians—1,862 killed; police—987 killed.

The resignation of Mr del Tufo, Officer Administering the Government, was announced.

MOROCCO. 17 Feb.—Riots broke out in Casablanca when delegates of fifteen Latin-American countries who were touring Morocco at the invitation of the French Government visited the town. The police opened fire and five demonstrators were wounded, one of whom died later. Another was killed with a knife.

NEPAL. 10 Feb.—Reports reaching Delhi stated that Dr K. J. Singh, the leader of the recent insurrection in Nepal (see 24 January) had crossed the frontier into Tibet with thirty-six armed followers, and that the Nepalese Government had asked the Tibetan authorities in Lhasa for his extradition.

NEW ZEALAND. 16 Feb.—Meat agreement with Britain (*see Great Britain*).

NORTH ATLANTIC TREATY ORGANIZATION. 11 Feb.—The sixth session of the Military Committee opened in Lisbon. A recommendation that Greek and Turkish forces should come directly under Admiral Carney, C.-in-C. in Southern Europe, was approved.

20 Feb.—**North Atlantic Council.** The ninth session of the Council of N.A.T.O. opened in Lisbon with Mr Lester Pearson, Canadian Minister for External Affairs, in the chair. The proceedings were opened by Dr Cunha, Portuguese Foreign Minister, who, after welcoming the Greek and Turkish representatives, urged the inclusion of Spain in the western defence system.

Mr Acheson, U.S. Secretary of State, defined the task of the session as one of translating decisions into action. He believed that the creation of the European Defence Community had been brought to a point where the N.A.T.O. Council could approve its form and authority, and he said that, because they were endangered by 'a rigid military autocracy ruled by police power', actions which would strain members to the utmost must be taken to build up concrete military strength which alone would ensure against another war. They did not seek, he said, to create greater strength than was needed to deter or meet aggression nor a strength great enough to launch a preventive war. They simply desired peace. He went on to say that the importance of N.A.T.O. in the long run went far beyond the creation of military strength and lay in the development of a community of free peoples whose co-operation would permit the inventive faculties of democracy to build institutions which could master the problems of power raised by modern science.

PERSIA. 11 Feb.—Delegates of the International Bank arrived in Tehran for new negotiations to solve the oil dispute.

Election. Unofficial results of the Tehran election published in the press showed that the first nine places out of twelve had been won by the Government party—the National Front.

It was reported that martial law had been proclaimed on 10 February at Zabol, capital of Seistan province, following election disorders in which the Governor and three other persons engaged in supervising the elections had been killed. Further fatal incidents at their funeral had also been reported.

12 Feb.—**Oil Dispute.** It was learned that the Government had sent to the International Court a document entitled: 'Preliminary observations: refusal by the Imperial Government to recognize the jurisdiction of the Court'.

Persia (*continued*)

15 Feb.—Mr Hussain Fatemi, a close unofficial adviser of the Prime Minister, was shot and gravely wounded near Tehran by a member of Fedayan Islam. The assailant was arrested.

19 Feb.—The sixteenth Majlis since the promulgation of the constitution expired officially. Jemal Emami, leader of the Opposition, pointed out before leaving the Majlis building, where he and several other deputies had been in sanctuary for eighty days, that Dr Moussadek's evasion of a vote in the Majlis had made the legality of the Government open to question. He declared that the new deputies for Tehran had been elected by 86,000 forged votes out of 150,000.

Tehran Radio announced that two of the five International Bank representatives were remaining in Persia to continue negotiations. (One had left on the previous day and two others were due to leave the following day).

SOUTH AFRICA. 16 Feb.—**Sterling Area.** Mr Havenga, Finance Minister, said in a speech to the Nationalist Party at Porterville that it was of the greatest importance to South Africa that the position of the sterling area should be maintained, and he declared that in order to help overcome existing difficulties, the Government had undertaken to give Britain a greater share of her gold production.

SPAIN. 8 Feb.—Spanish protest to United States *re* President Truman's derogatory remarks about Franco regime (*see United States*).

12 Feb.—Nine members of an alleged anarchist group charged with murders, armed hold-ups, and robberies, were sentenced to death in a military court in Barcelona. Eighteen others received prison sentences ranging from six months to thirty years.

TIBET. 19 Feb.—Establishment of Chinese army H.Q. in Lhasa (*see China*).

TUNISIA. 10 Feb.—Fifteen Tunisians were sentenced in a military court at Tunis to prison terms ranging from three months to five years for unauthorized possession of arms.

12 Feb.—Two policemen were killed near Gafsa.

13 Feb.—A train driver was injured in a minor incident in Tunis.

14 Feb.—It was learned that security operations in the Cape Bon and Sousse areas had resulted in 1,483 arrests, 453 releases, 710 compulsory removals to other districts, and the recovery of 710 firearms. The number to be tried was stated to be 320.

15 Feb.—During a demonstration outside the Residency building in Tunis four grenades were thrown causing four casualties, including two policemen. Fifteen people were arrested, most of them women. Incidents were also reported from Kairouan and from Kef in northern Tunisia. Curfews were imposed at Gafsa, where troops had arrived, and at Gabes.

19 Feb.—Telegraph and telephone communications linking Tunis

with Sfax and Sousse were cut by saboteurs. After a demonstration by students in Sfax 34 people were arrested.

20 Feb.—Two bomb outrages were reported from Sousse.

TURKEY. 18 Feb.—N.A.T.O. The National Assembly unanimously approved the Bill ratifying Turkish adherence to the North Atlantic Treaty.

UNITED NATIONS

International Labour Organization

18 Feb.—**Egyptian Charges against Britain.** The report was published in Geneva of the inquiry conducted by Mr Rao, I.L.O. representative, into Egyptian charges against the British military authorities. After fully examining the whole situation in the Canal Zone as it affected British employment of labour, the report found that the charge that the British military authorities had resorted to such practices as forced labour, internment, or abduction had not been substantiated.

UNITED STATES. 8 Feb.—**Spain.** The State Department received from the Spanish Ambassador a Note, described as something less than a formal diplomatic protest, which expressed the Spanish Government's displeasure at President Truman's remarks at a press conference on 7 February when he had expressed his dislike of the Franco regime.

11 Feb.—**Defence Production Act.** President Truman sent a message to Congress asking for a two-year extension of the Defence Production Act to prevent new inflation and also for the repeal of three amendments to the Act which he said had done much damage.

12 Feb.—**Great Britain.** A State Department official said that Britain had declined an American offer of bomb-testing sites for the trial of the first British atomic bomb and had decided to use Commonwealth facilities.

13 Feb.—Mr Acheson in London (*see Great Britain*).

President Truman sent to Congress a report reviewing the progress of the preceding two years in building defences against Communism. It said that U.S. military and economic aid had revived west European morale and defences to a stage where any invasion would meet determined resistance. Weapons production in N.A.T.O. countries would in 1952 be four times that of 1949 and U.S. defence supplies were being shipped to Europe at an increasing rate—the value in the six months to 1 October 1951 was \$1,439 m. The damaging effects of inflation on European economies were, however, noted. During the same half year it was recorded that, whereas wholesale prices increased about 25 per cent and the cost of raw materials 35 per cent, west Europe earned only 12 per cent more for its exports. The report stated that it was imperative that pertinent problems be solved to permit a German military contribution to western defence.

15 Feb.—**Naval Defence.** Admiral Fechteler, Chief of Naval Operations, emphasized in a statement in Washington the serious Soviet threat to U.S. naval supremacy and estimated that Russia had

United States (*continued*)

between 300 and 400 submarines. He expressed confidence in successfully meeting the challenge if it came, but not without losses especially in the early days of the conflict.

19 Feb.—Statements on tripartite and four-Power talks (*see Great Britain*).

20 Feb.—**Anglo-U.S. Talks.** Following the adoption by the House, by 189 votes (including 29 Democrats) to 143, of a resolution calling on the Secretary of State to make known whether any commitments involving American troops had been made during the President's talks with Mr Churchill in January, President Truman told a press conference that no commitments had been made. The resolution in the House was carried in spite of a report of the Foreign Affairs Committee which said that the talks were informal and 'not in any sense negotiations towards final and binding decisions' and that any further disclosure (beyond that already given by Mr Acheson) would be against the national interest.

U.S.S.R. 8 Feb.—Italian protest *re* use of Soviet veto to obstruct Italy's admission to the United Nations (*see Italy*).

12 Feb.—U.S. protest against Russian seizure of Japanese fishing vessels (*see Japan*).

20 Feb. Soviet reply to east German appeal for a peace treaty (*see Germany*).

FORTHCOMING EVENTS

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| Mar. | 3 | U.N. Economic Commission for Europe. |
| „ | 24 | (week beginning) Consultative Committee on South and South-East Asia, Karachi. |
| May | 5 | Fifth Assembly of the World Health Organization, Geneva |

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